

## **POLICY BULLETIN CHILD NUTRITION PROGRAMS**

**FDCH 06-07**

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**SUBJECT: Retention of records relating to institutions, responsible principals or responsible individuals, and family day care homes on the National Disqualified List; retention of records relating to serious deficiencies**

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The purpose of this bulletin is to clarify Program requirements for the retention of records relating to institutions, responsible principals or individuals, and family day care homes that have been placed on the CACFP National Disqualified List (NDL). In addition, this bulletin also clarifies recordkeeping requirements relating to homes that have been declared seriously deficient, but which take satisfactory corrective action and are not placed on the NDL. These issues need to be addressed to ensure that the records supporting a serious deficiency determination, and/or a termination and disqualification, are properly maintained by sponsoring organizations.

Section 226.10(d) of the regulations establishes retention requirements for records relating to claims submitted by SAs and institutions participating in CACFP. Such records must be retained for three years after the submission of the final claim for the fiscal year to which they pertain. If, at the end of this period, audit findings have not been resolved, the records must be retained until the audit is resolved.

The same principle applies to the retention of records relating to family day care homes that have been placed on the CACFP's NDL. These records are considered to pertain to the entire period that an individual remains on the NDL, since the documentation supporting the disqualification must be available to respond to any challenge to the individual's inclusion on the NDL, or to a request for removal from the NDL. Therefore, consistent with the requirements at § 226.10(d) concerning the retention of claims-related records, the SA or institution must retain records relating to the disqualification for three years after the family day care home is removed from the NDL.

This bulletin also clarifies record retention requirements relating to family day care home that is declared seriously deficient when the serious deficiency is corrected before disqualification. Records relating to any serious deficiency must be retained by the SA or sponsoring organization for three years after the SA or sponsoring organization accepts the corrective action. This timeframe will permit the SA or the sponsoring organization to conduct one or more follow-up reviews to ensure that the home has fully and permanently corrected the serious deficiency, and will provide the necessary documentation for a proposed termination if it is found that the corrective action has not been permanently implemented.